



# Iowa Department of Human Services

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## INFORMATIONAL LETTER NO.1691

**DATE:** July 5, 2016

**TO:** Iowa Medicaid Ambulance Providers

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** Ambulance Claims Processing Changes

**EFFECTIVE:** July 1, 2016

Informational Letter [1543](#)<sup>1</sup> announced updated IME policies for ambulance claims. This letter is intended to further clarify the IME policies related to ambulance services.

Effective July 1, 2016, the **IME will no longer accept the “GY” modifier** on ambulance claims. The “GY” modifier is intended to indicate situations where the claim should be denied and the patient liable for charges. Ambulance service should always be medically necessary and if at any time the service provided is not medically necessary per the Iowa Administrative Code 79.9(4) *“Recipients must be informed before the service is provided that the recipient will be responsible for the bill if a non-covered service is provided.”*

Providers must maintain documentation of the medical necessity for the transport as defined in the Iowa Administrative Code 441-79.3. This documentation must be retained for no less than seven years. It is the responsibility of the ambulance provider to maintain complete and accurate documentation to demonstrate the ambulance service being furnished meets medical necessity and level of service criteria.

The IME conducts post-pay review on paid ambulance claims to ensure the level of service billed was appropriate. Post-pay review will confirm the level of care, as defined in Informational Letter [1497](#)<sup>2</sup>.

### Billing Tips

- The base rate line should be the first line on the claim. Each claim should also contain the mileage.
- A0998, Ambulance Response and Treatment, No Transport, is the only code that will process without a modifier. This is the only procedure code that does not require another service on the claim.
- All ambulance claims require a valid diagnosis code.

<sup>1</sup> [https://dhs.iowa.gov/sites/default/files/1543\\_AmbulanceClaimsProcessingChanges.pdf](https://dhs.iowa.gov/sites/default/files/1543_AmbulanceClaimsProcessingChanges.pdf)

<sup>2</sup> [https://dhs.iowa.gov/sites/default/files/1497\\_ClaimsProcessingChanges-and-Clarification.pdf](https://dhs.iowa.gov/sites/default/files/1497_ClaimsProcessingChanges-and-Clarification.pdf)

- All ambulance base rate codes require an additional two-letter modifier. Use the first letter to identify the location of the pick-up and the second letter to identify the destination. Valid modifiers and their descriptions are shown below:

Modifier	Description
D	Diagnostic or therapeutic site other than “P” or “H” when these codes are used as origin codes
E	Residential, domiciliary, or custodial facility
G	Hospital-based dialysis facility
H	Hospital
I	Site of transfer between types of ambulance vehicles (e.g., airport or helicopter pad)
J	Non-hospital-based dialysis facility
N	Skilled nursing facility (SNF)
P	Physician’s office (includes HMO non-hospital facility, clinics, etc.)
R	Residence
S	Scene of accident or acute event
X	(Destination code only) intermediate stop at physician’s office on the way to the hospital (includes HMO non-hospital facility, clinic, etc.)

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).